



**ZIMBABWE EZEKIEL GUTI UNIVERSITY**

**FACULTY OF LAW, BUSINESS INTELLIGENCE AND ECONOMICS**

**DEPARTMENT OF ACCOUNTING, FINANCE AND HUMAN CAPITAL MANAGEMENT**

**EXAMINATION PAPER**

**COURSE CODE** : CAC 213  
**COURSE TITLE** : COMPANY LAW AND PRACTICE  
**SPECIAL REQUIREMENTS** : NONE  
**DURATION** : 3 Hours  
**LEVEL** : **3<sup>rd</sup>**  
**DATE** : **30 JUL 2024**

**INSTRUCTIONS TO CANDIDATES:**

1. No cell phones are allowed in the examination venue
2. Answer all questions
3. The number of marks for each question or part question is shown in brackets [ ]

### QUESTION 1

The principle of corporate status is so fundamental to company law such that the precedent as set by Salomon v Salomon has been followed since time immemorial. With examples and decided cases, discuss how this concept currently impacts on matters of company law in Zimbabwe. **[25marks] [Total 25 Marks]**

### QUESTION 2

- (a) Identify 2 Zimbabwean cases and illustrate how the Turquand Rule has been applied. Give a brief on the facts of the case and the judgment **[10 marks]**
- (b) Discuss the cases of Kelner v Baxter and Howard v Patent Ivory Manufacturing in respect of pre-incorporation contracts **[10 marks]**  
Outline the COBE section 22 provision on constructive notice **[5 marks]**

**[Total 25 Marks]**

### QUESTION 3

- (a) Define the concept of corporate rescue plan **[5 marks]**
- (b) Explain the duties of a Corporate rescue practitioner **[8 marks]**
- (c) Explain the rights of those affected by the corporate rescue plan **[12Marks]**

**[Total 25 Marks]**

### QUESTION 4

Write explanatory notes on the following:

- (a) Initial Public Offer **[5 marks]**
- (b) Rights Offer **[5 marks]**
- (c) Redeemable Preference Shares **[5 marks]**
- (d) Share Split **[5 marks]**
- (e) Bonus shares **[5 marks] [Total 25 Marks]**

**END OF EXAMINATION QUESTION PAPER**